

Naval Postgraduate School  
Department of National Security Affairs  
International Economics

Fall Quarter 2003  
NS 3040  
Dr. Robert Looney

Office Glasgow 305  
Office Hours TuTh 10-12:30; 3-3:30  
and by appointment  
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## COURSE OUTLINE

### Texts

Thomas Pugel, **International Economics**, twelfth edition, Irwin/McGraw-Hill, 2003.

Peter Lindert and Thomas Pugel, **International Economics**, eleventh edition, Irwin/McGraw-Hill, 2000.

Jim Eggert, **Invitation to Economics**, Mayfield Publishing, Company, 1991.

Richard Kugler and Ellen Frost, *The Global Century, Globalization and National Security*, NDU Press, 2001 (on the website).

### ASSIGNMENTS

The assignments below are mainly from the texts. Please check website under "readings for next class" for additional papers for discussion. All the papers and references that we will need for the course can be found on the website.

#### Introduction (September 30)

Pugel, chapter 1  
Lindert and Pugel, chapter 1

#### Basic Microeconomic Concepts (October 2)

Eggert, chapters 1, 2, 3, 4, 10, 11.

#### Topics in Microeconomics--Markets and Competition (October 7)

Eggert, chapters 12, 13, 14, 15, 16, 17

#### Introduction to the Theories of International Trade (October 9)

Pugel, chapters 2, 3  
Lindert and Pugel, chapters 2, 3

#### Modern Theories of Trade (October 14)

Pugel, chapters 4, 5 and 6  
Lindert and Pugel, chapters 4, 5 and 6

#### Tariffs and Non-Tariff Barriers (October 16)

Pugel, chapters 7, 8  
Lindert and Pugel, chapters 7, 8  
Eggart, chapter 18.

Arguments for and Against Protectionism (October 21)

Pugel, chapter 9

Lindert and Pugel, chapters 9, 10.

Trade Agreements, Environment and US Policy—GATT/WTO (October 23)

Pugel, chapter 10, 12,

Lindert and Pugel, chapter 12, 14

Charles Shotwell, Export Controls: A Clash of Imperatives, Chapter 16 in K&F

Security, Global Competition and United States Trade Policy (October 28)

Robert Hunter, Global Economics and Unsteady Regional Geopolitics, Ch4 in K&F

David Denoon, Economics and National Security, Ch 10 in K&F

Economic Integration--North America/Europe (October 30)

Pugel, chapter 11

Lindert and Pugel, chapter 11.

Richard Kugler, The European Quest for Unity, Chapter 39 in K&F

Trade Policy and Developing Countries (November 4)

Pugel, chapter 13.

Lindert and Pugel, chapters 11, 13.

Martha Caldwell Harris, The Globalization of Energy Markets, Chapter 12 in K&F

Carol Lancaster, Developing Countries: Winners or Losers? Chapter 30 in K&F .

Patrick Clawson, Oil Resources: Markets, Politics, and Policies Chapter 34 in K&F

Kathleen Ridolfo, The Arab World: Economic Progress and Struggle, Chapter 43 in K&F

Regional Topics in International Economics (November 6)

F. Stephen Larrabee, Russia and Its Neighbors, Chapter 40 in K&F

Richard Cronin, Asian Economies, Chapter 45 in K&F

P. Francois Hugo, Africa: Troubled Continent in a Globalizing World, Ch 47 in K&F

Moises Naim and Carlos Lozada, Latin American Economies, Chapter 41 in K&F

Jeffrey Sachs, Globalization and Patterns of Economic Development, Weltwirtschaftliches Archiv, 2000

MIDTERM EXAMINATION (November 11)

Balance of Payments, Introduction to Exchange Rates (November 13)

Pugel, chapters 15, 16, 17.

Lindert and Pugel, chapters, 15, 16, 17

Determinants of Exchange Rates (November 18)

Pugel chapter 18, 19

Lindert and Pugel, chapters 18, 19, 20.

Eggert, Chapter 19

Introduction to Macroeconomics/Balance of Payments Adjustment (November 20, 25)

Eggart, chapters 5, 6, 7, 8 and 9.

Pugel, chapters 21, 22.

Lindert and Pugel, chapter 21, 22

International Monetary System (December 2)

Pugel, chapters, chapters 23, 24

Lindert and Pugel, chapters 23, 24

Dani Rodrik, How Far Will International Economic Integration Go? Journal of Economic Perspectives, Winter 2000

Factor Movements (December 4)

Pugel, chapter, 14

Lindert and Pugel, chapter 25

International Lending, Debt Crisis (December 9)

Pugel, chapter 20

Lindert and Pugel, chapter 26

Foreign Investment/Multinationals/Future Patterns of Globalization (December 11)

Theodore Malloch, Corporations in the World Economy, Ch28 in K&F

Robert Dunn, Has the U.S. Economy Really Been Globalized? Washington Quarterly, Winter 2001

Eggert, Chapter 20

Final Examination (December 17, 1300-1500 December 17 Glasgow 109)

**Course Grade**

There are several options for a course grade:

Midterm and Country/Topic Paper (20 or so pages)--50% each

Midterm and Final Examination--50% each

For those who have taken 3041 there is the option of a major research paper (30 or so pages)—100%